



STATE OF CALIFORNIA

STATE BOARD OF EQUALIZATION

450 N STREET, SACRAMENTO, CALIFORNIA
PO BOX 942879, SACRAMENTO, CALIFORNIA 94279-0073
916-327-4975 • FAX 916-324-2586
www.boe.ca.gov

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March 8, 2013

Honorable Chris Holden
Assembly Member, 41st District
State Capitol, Room 5119
Sacramento, CA 95814

Dear Assembly Member Holden:

On February 26, 2013, the Board of Equalization (BOE) unanimously voted to support your AB 143. This bill exempts U.S. Armed Forces members, and U.S. Armed Forces and National Guard active duty reserves, and their spouses from use tax on purchases of tangible personal property under certain circumstances.

This use tax exemption applies to purchases made outside the state and prior to the report date on official transfer orders transferring him or her to this state. The exemption specifically excludes vehicles, vessels and aircraft. This bill will relieve active duty military service members of unexpected use tax they may incur when the military requires them to relocate to serve our country.

The BOE believes that our service members and their families, while serving our country, should not have to bear the additional expense of the use tax added to the price of the items bought prior to being transferred. Accordingly, the BOE supports this exemption.

If you have any questions or need additional information, please contact, Michele Pielsticker, Chief of the Legislative and Research Section, at (916) 322-2376.

Sincerely,

Cynthia Bridges
Executive Director

CB:ap